



Southeastern Idaho News

BANNOCK, BEAR LAKE, BINGHAM, CARIBOU, FRANKLIN, ONEIDA & POWER COUNTIES

ECONOMIC TRENDS:

The Pocatello Metropolitan Statistical Area's seasonally adjusted unemployment rate for November bumped up from 3.4 percent to 3.6 percent, as cold weather forced construction and related industries to curtail operations for the winter. The increase represents 80 fewer workers in the area labor pool. Typically, job losses are in goods-producing industries at this time of year. However, there were 340 more construction workers employed this November than a year earlier. Service-sector jobs were fewer in November than October, primarily a result of telemarketing contract completions and completion of some government administration jobs. Most of the telemarketing contracts will likely be renewed. Employment was up in the retail sector as holiday hiring began.

Jobs in the area increased by 1,200 since November 2005, and December forecasts appear to indicate the trend should continue.

SPECIAL TOPIC: Minimum Wage

On a recent trip which took me through Vernal, Utah, I noticed many establishments had posted help wanted signs. Service was slow at the café where I stopped for lunch because the business was short of help. The hostess apologized for the long wait and told me she had been in the kitchen washing dishes. She went on to say there were not enough workers in the area willing to work for wage being offered. Minimum wage in Utah is the same as the federal minimum wage, \$5.15 an hour, though most business have to pay at least \$7 an hour to attract workers. It appears therefore that \$7 is the real minimum wage for that area. What is the real minimum wage where you live?

Idaho's minimum wage mirrors the federal \$5.15 an hour, established in 1997. An inflation calculator shows that \$5.15 is worth only \$4.09 today, or it would take \$6.47 today to buy the same

Southeastern Idaho Table 1: Pocatello MSA Labor Force & Employment Bannock and Power counties

	Nov 2006*	Oct 2006	Nov 2005	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	45,660	45,630	45,370	0.1	0.6
Unemployment	1,640	1,560	1,540	5.1	6.5
% of Labor Force Unemployed	3.6	3.4	3.4		
Total Employment	44,020	44,070	43,830	-0.1	0.4
<i>Unadjusted</i>					
Civilian Labor Force	45,950	45,570	44,880	0.8	2.4
Unemployment	1,310	1,400	1,330	-6.4	-1.5
% of Labor Force Unemployed	2.9	3.1	3.0		
Total Employment	44,640	44,170	43,550	1.1	2.5
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs** - NAICS	40,750	40,840	39,550	-0.2	3.0
<i>Goods-Producing Industries</i>	6,190	6,190	5,720	0.0	8.2
Natural Resources & Mining	30	30	30	0.0	0.0
Construction	2,680	2,760	2,340	-2.9	14.5
Manufacturing	3,480	3,400	3,350	2.4	3.9
Food Manufacturing	1,110	1,130	980	-1.8	13.3
Fabricated Metal Product Manufacturing	170	170	150	0.0	13.3
Machinery Manufacturing	200	210	110	-4.8	81.8
Other Manufacturing	2,000	1,890	2,110	5.8	-5.2
<i>Service-Providing Industries</i>	34,560	34,650	33,830	-0.3	2.2
Trade, Transportation & Utilities	7,880	7,720	7,640	2.1	3.1
Wholesale Trade	1,400	1,400	1,330	0.0	5.3
Retail Trade	5,000	4,840	4,800	3.3	4.2
Utilities	50	50	40	0.0	25.0
Transportation & Warehousing	1,430	1,450	1,470	-1.4	-2.7
Information	770	770	710	0.0	8.5
Financial Activities	2,170	2,170	2,100	0.0	3.3
Professional & Business Services	5,200	5,300	4,920	-1.9	5.7
Educational & Health Services	3,480	3,480	3,410	0.0	2.1
Leisure & Hospitality	3,270	3,270	3,420	0.0	-4.4
Other Services	1,260	1,220	1,180	3.3	6.8
Government Education	6,080	6,100	6,100	-0.3	-0.3
Government Administration	4,450	4,620	4,350	-3.7	2.3

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

items that cost \$5.15 in 1997. That makes today's minimum wage the lowest in terms of buying power since 1949. The highest minimum wage ever in terms of buying power was \$1.60 an hour in 1968. The equivalent of that minimum wage would be \$9.29 an hour today.

In the Pocatello Metropolitan Statistical Area, the real minimum wage is about a dollar higher than \$5.15, based on local newspaper want ads in the last month. Only one employer offered less than \$6 an hour, but the job included a fringe benefit which would most likely push the wage value above \$6. Fast food businesses are offering \$6.50 to \$7 an hour, call centers are posting jobs beginning at \$8 an hour, delivery driver jobs

are listed at \$7 to \$7.50 per hour, and housekeeper positions start at \$7 an hour at a local assisted living center.

Jobs listed with the Pocatello and Blackfoot local Idaho Commerce & Labor offices that offer pay from \$5.15 to \$6.15 an hour are not getting filled quickly or have high turnover.

Idaho Commerce & Labor's 2005 minimum wage study, updated in August 2006, found 86.6 percent of Idaho jobs pay more than \$7.25 an hour. The 2005 study showed 7.5 percent of jobs in eastern Idaho paid less than \$6.15, the highest percentage of the four regions identified in the study. That percentage most likely has dropped in the 14 months since the 2005 study as the labor pool has tightened and so many employers in that area are paying \$6.50 and more an hour. Southeastern Idaho Table 2 shows the entry wage for lower paying jobs in the Pocatello Metropolitan Statistical Area for the last three years. March 2006 is the date used for wage data in 2006 and wages may have increased even since then.

The legal minimum wage in Idaho may still be \$5.15 an hour, but the real minimum wage is determined by a worker's abilities and the laws of supply and demand. In southeastern Idaho, the real minimum wage is around \$6.15 an hour.

which will offer old-fashioned shaves with straight razors and hot towels. Sippers is a coffee shop offering a wide assortment of Treasure Valley coffees and specialty drinks.

- Pocatello has been selected from three Idaho sites for a large-scale manufacturer. Hoku Scientific plans to build a polysilicon producing plant and solar panel fabricating operation. The initial phase of the operation could result in more than 200 good-paying jobs after the construction of a facility estimated to cost more than \$200 million. Bannock County Development Corp. and local officials are working closely with Hoku Scientific management.
- Portneuf Medical Center and Idaho State University are revamping an agreement that will increase medical training opportunities for students attending the university. In addition to collaboration among the more than 20 medical programs offered at the school, the new agreement includes minor adjustments to ensure the infrastructure is in place to accommodate growth in those programs.
- Child advocacy center Bright Tomorrows is planning to build a new 3,500-square-foot building at the corner of Walnut and Washington. The center provides a safe and non-threatening environment for child victims of violence and sexual abuse. The new facility includes space for physical examinations. Currently, the victims have to be shuttled to a medical facility for the examinations. Local contractors, with cooperation from the city, will help keep the cost for the new center at around \$150,000. The city of Pocatello is contributing \$25,000, and Bill Isley of Tuscany Builders will donate up to \$50,000 to match other donations.

Franklin and Oneida Counties

- The spirit of cooperation between Franklin County and Cache County, Utah, has gotten a boost with the new Cache Valley Regional Council. The group hopes to streamline agreements and coalitions that affect the entire Cache Valley. In the past year, the two counties jointly participated in mutual aid agreements, the Sunday Spotlight, Cache Valley Fire Public Education Coalition, a joint sewer needs study and a plan for controlling noxious weeds. The council was instrumental in establishing temporary bus service between the Logan, Utah, and Preston, Idaho, in an effort to reduce pollution in the valley.
- Franklin County Medical Center officials and the Preston City Council may have to decide between two locations for a new hospital if voters approve a \$15 million bond issue. Two plots of land have

Southeastern Idaho Table 2: Entry Hourly Wages in Pocatello MSA.

	2004	2005	2006
Avg. for all occupations	\$7.13	\$7.18	\$7.49
Home Healthcare Aide	6.67	7.20	7.57
Social Service Assistants	6.71	8.07	8.83
Child Care Worker	6.14	6.04	6.16
Retail Cashier	6.29	6.22	6.12
File Clerk	6.20	6.27	7.37
Food Service Worker	6.10	5.88	6.01
Material Mover Laborer	6.69	6.91	6.79
Grounds Maintenance	7.56	8.64	8.54
Janitors and Cleaner	6.30	6.51	7.08
Bookkeeper	8.06	8.21	8.61
Construction Labor	7.33	7.28	8.21

COUNTY REPORTS:

Bannock County

- Health West is opening a clinic in McCammon in late January in a portion of the Big Store on Center Street. Health West is a federally-funded, nonprofit organization that provides primary care and preventative medical services.
- Bobby D's and Sunrise Sippers recently opened for business in a long-vacant building, formerly operated as Tom's Gyros. Bobby D's is a barbershop

been donated for the proposed hospital. One site is large enough but needs water and sewer infrastructure. The other is not large enough but has sewer and water. The bond needs two-thirds approval.

- Franklin County commissioners voted 2-1 to allow retailers to sell wine, but stopped short of approving consumption on retailer premises, including restaurants. Franklin County had been one of only two counties in Idaho that did not allow the sale of wine in retail establishments. Local retailers believe the decision may boost sales to a small degree and hope it will encourage residents to shop locally rather than traveling to Logan, Utah, or Pocatello.
- Cache Valley's only multi-doctor optometry practice, Eye Care for You, has moved to a larger office in Preston and offers diagnostic procedures that have not been available locally until now. The practice is staffed by three doctors and six office workers. The move included an upgrade of all equipment. A hearing specialist may be added in the future. The practice, owned by Dr. Phil Cromwell, is located in the Legacy Plaza in Preston.
- The pioneer towns of Chesterfield and Franklin were among 34 recipients of grants from the Idaho Heritage Trust. Chesterfield will use its \$6,000 to purchase property in the rural town. Franklin County intends to use its \$10,000 award to help fund restoration of Relic Hall.
- Oneida County Hospital Chief of Staff Stephen Johnson received national recognition from the American Academy of Family Physicians as one of the top five rural family doctors in the nation. Dr. Johnson has managed health care clinics in Downey and was the driving force behind the establishment of the Curlew Valley Medical Clinic.
- Kathy Ray of Malad was named the executive director of the Four County Alliance in southeastern Idaho. She replaces Richard Westerberg, who resigned when he was elected Franklin County commissioner in November. Ray is an experienced grant writer and has spent most of her life in southeastern Idaho. For the past 12 years she has managed the Malad City/Oneida County Economic Development Foundation and has been doing post graduate work through the Northwest Community Development Institute.
- Twin Lakes Canal Co. wants to build a dam on the Oneida Narrows stretch of the Bear River. The company recently filed a notice of intent with the Federal Energy Regulatory Commission, proposing to flood 4.6 miles on the river to create a reservoir for irrigation and power generation. The proposal was narrowly defeated by an advisory vote — 52 percent

against and 48 percent in favor — during November's general election. But canal company officials did not think the vote differential was significant enough to halt plans for construction of the dam. PacifiCorp and many conservation groups in the area believe the dam is unnecessary and have petitioned the commission to hear their concerns.

Caribou County

- A new \$100,000 therapy pool located in the Dredge Rehabilitation Clinic opened in early December. The pool was built with a treadmill in the floor and an adjustable current along with easy access for disabled users. The pool will also be used for senior arthritic classes.
- Caribou County has developed a comprehensive plan for emergency management operations. The first priority is to provide basic life safety. Other priorities include minimizing property damage, coordinating recovery and returning to normalcy after dealing with an emergency. The mayors of Soda Springs, Grace and Bancroft have all signed off on the plan. County commissioners are encouraging all citizens to become informed about the emergency response plan and be prepared to do their part.
- Soda Springs city officials plan to apply for a \$50,000 Land and Water Conservation fund matching grant to replace outdoor lighting at Kelly Park. The estimated cost is \$100,000. The city is able to provide the other \$50,000.
- The Idaho Public Utilities Commission approved a change in rate agreement between PacifiCorp and customers in southeastern Idaho. PacifiCorp operates in eastern Idaho as Rocky Mountain Power and serves about 64,000 Idaho customers. The agreement will increase annual revenue to PacifiCorp by 5.1 percent or \$8.4 million. Residential rates will not be changed but irrigators will see a 5 percent increase, some of which may be refunded at the end of the year to those who participate in the company's load control program. Additionally, two large industrial customers, Monsanto Co. and Agrium, will also have rate increases. Monsanto is PacifiCorp's largest customer in its six-state area and will see a 16.5 percent rate increase plus an increase in the hours service can be interrupted. Agrium agreed to a 4 percent increase.

Bear Lake County

- The Montpelier City Council approved pursuing sewer line easements and property annexation for a new industrial park. The city was awarded a Rural Community Block Grant through Idaho Commerce & Labor to fund part of the project. The city will match the grant by doing the sewer and water line installation

work. The estimated cost for materials and engineering services is \$162,000.

- The city of Montpelier is considering a community review, coordinated by the Idaho Rural Partnership. The review involves a team of community development professionals from throughout the state who visit a city, meet with many community representatives for a few days and then offer objective perspectives of how the community could bolster its action plans to execute and complete community development strategies.

Dale Dixon, the partnership's executive director, said the review is needed to open the doors for grants, which require information only such a review can provide. The city of Montpelier recently was named a Certified Gem Community. More information about Gem communities is at community.idaho.gov/gem_communities.

- Bear Lake County commissioners are working with public building planner Reed Miller to develop a proposal for a combined courthouse-jail building. The proposal calls for beds and living accommodations for 50 prisoners, offices for law enforcement personnel, courtrooms and judge's chambers.
- The Montpelier Parks and Recreation Committee is teaming up with Enough is Enough Drug Coalition to sponsor a large-scale men's basketball tournament in March, offering \$1,500 in prize money. The group hopes the tournament will attract 30 to 40 teams, which could give a boost to local eateries and motels. The parks and recreation group offers other activities this winter such as classes on how to use eBay on the Internet, tutoring sessions and basketball and volleyball leagues.

Power and Bingham Counties

- The Great Rift Business Development Organization in Aberdeen has formalized its tax-exempt status, approved a new logo, established a budget for the coming year and reviewed applications for executive director. The organization's key focus is business retention.
- Ron Manchester recently opened the Academy of Mixed Martial Arts in Aberdeen. Manchester has been practicing martial arts for 23 years and has developed his own style, a modification of his military style training. Manchester will continue to operate a similar school in Montpelier with the help of one of his students.
- Local machine manufacturer Double L Manufacturing was recently purchased by a group of shareholders, who then hired Kelly Duffin as a direct sales representative. For the past several years the company

has sold primarily to retailers, but plans to open up sales to individuals who can buy directly from the company. The company expects this move to result in greater manufacturing efficiencies, less inventory build up and expansion of international sales.

- Brandon Bird, executive director of Bingham Economic Development Corp., was named one of Idaho's Brightest Stars by former Governor Jim Risch. The award is the result of four years of successful economic activity in Bingham County, including the recruiting of Premier Technology, partnering to bring a wind farm to the Wolverine Creek area and acquiring many façade improvements grants in the Blackfoot and Shelley areas.
- Premier Technology has moved into its new 100,000-square-foot, \$7 million headquarters on schedule. In addition to a larger manufacturing area, the building has office space for 65 engineers, designers and staff.
- The Bingham County Planning and Zoning Commission approved a 45-lot subdivision, Sharlyn Park, within the Groveland city limit to be built by Fairchild Construction. Fairchild also was approved to build Lavaside, a five-lot subdivision and Riverbend Estates with 26 lots. Developer Charles Johnson was approved to build a 10-lot North Star subdivision.
- Idaho Parks and Recreation Department's Rick Just recently held public information meetings in eastern Idaho to discuss developing the Rising River site between Blackfoot and Firth into a state park. A level one environmental assessment is currently under way, and the selection also needs legislative approval.
- The Firth City Council appointed Councilman Gary White to head a planning group to develop a city zoning committee. The planning group will include two members outside of the city limits to represent concerns of people living in the city's impact area. The council also reviewed plans from Harper-Leavitt Engineering of Blackfoot for a proposed walkway around Firth. The city was awarded a \$50,000 grant to study the condition and adequacy of roads in Firth.
- Blackfoot residents are applauding the opening of a new upscale restaurant, PBG's. Owners Les Sorensen, Shane Gifford and Gary Gifford hired Chef Derek Johnson, who promises to offer the freshest seafood in eastern Idaho. The restaurant also offers steak and salads.

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